

ASSEMBLY BILL

No. 1943

Introduced by Assembly Member Chesbro

February 19, 2014

An act to amend Section 3 of Chapter 1086 of the Statutes of 1970, relating to tidelands and submerged lands of the City of Eureka.

LEGISLATIVE COUNSEL'S DIGEST

AB 1943, as introduced, Chesbro. Tidelands: City of Eureka.

Existing law grants to the City of Eureka all the right, title, and interest of the State of California in and to certain tidelands and submerged lands located in Humboldt Bay in trust for certain purposes. Existing law provides that certain moneys received by the City of Eureka from the State Controller shall be deposited in the Humboldt Bay Fund and may be used by the City of Eureka for the purposes for which revenues accruing from or out of the use of those granted tidelands may be used.

Existing law requires the City of Eureka, prior to June 30 of each year, to pay to the State Controller a specified amount of the money deposited by the city into the Humboldt Bay Fund during the preceding fiscal year in lieu of all obligations incurred by the city, as specified.

This bill would provide that when the State Controller certifies that the amount of the original payments has been made by the city, the obligation to make payments shall cease.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3 of Chapter 1086 of the Statutes of 1970,
2 as amended by Section 1 of Chapter 1068 of the Statutes of 1982,
3 is amended to read:

4 Sec. 3. (a) The city shall establish the Humboldt Bay Fund in
5 ~~such~~ *the* manner as may be approved by the State Lands
6 Commission, and the city shall deposit therein all moneys received
7 directly from, or indirectly attributable to, the tide and submerged
8 lands granted to the city. An annual statement of financial condition
9 and operations, to conform with ~~such~~ *those* requirements as the
10 State Lands Commission may prescribe, shall be submitted to the
11 State Lands Commission by the city on or before September 30th
12 of each year for the preceding fiscal year. In furtherance of its
13 management and administration over granted tide and submerged
14 lands, the State Lands Commission shall audit, or cause to be
15 audited, the operations and all books and records of the city.
16 Further, the city shall prepare and submit to the State Lands
17 Commission, for its review and approval, an annual budget with
18 respect to all revenues and expenditures regarding tide and
19 submerged lands granted to the city. All moneys received from
20 the *State* Controller pursuant to Section 18 of this act shall be
21 deposited in the Humboldt Bay Fund and may be used by the city
22 for the purposes for which revenues accruing from or out of the
23 use of the granted tidelands may be used pursuant to the provisions
24 of this act.

25 ~~Prior to June 30, 1979, and prior~~

26 (b) *Prior* to June 30 of each ~~succeeding~~ year, the city shall pay
27 to the *State* Controller a sum that is not less than 15 percent of the
28 amount of the money deposited by the city into the Humboldt Bay
29 Fund during the preceding fiscal year, after deducting from the
30 fund the principal and interest payments required by the currently
31 outstanding 1973 Municipal Harbor Improvement Revenue Bond
32 issue, and after the credit for reverted funds provided for in Section
33 18 of this act. Moneys received from the *State* Controller pursuant
34 to Section 18 of this act shall not be included in the calculation of
35 the amount deposited into the Humboldt Bay Fund. Payments
36 made to the *State* Controller pursuant to this section shall be in
37 lieu of all obligations incurred by the city pursuant to this section,
38 as amended by Section 2 of Chapter 1252 of the Statutes of 1971,

1 and prior to the amendment of this section during the 1977-78
2 Regular Session of the Legislature. *When the State Controller*
3 *certifies that the amount of the original payments has been paid*
4 *by the city, the obligation to make payments shall cease.*

5 ~~In the event~~

6 (c) *If the city fails to make any payment required to be made*
7 *hereby for any reason whatsoever, the State Board of Equalization,*
8 *upon the order of the State Controller, shall deduct the amount of*
9 *that payment from the sales and use taxes to be paid to the city*
10 *thereafter pursuant to Section 7204 of the Revenue and Taxation*
11 *Code and shall pay the same to the State Controller.*

12 ~~All~~

13 (d) *All payments made by the city and the State Board of*
14 *Equalization shall be considered as oil revenues and dry gas*
15 *revenues payable to the state pursuant to Chapter 138 of the*
16 *Statutes of 1964, First Extraordinary Session, during the year they*
17 *are received.*

18 ~~For~~

19 (e) *For the purposes of Section 7 of this act, such the amounts*
20 *paid to the State Controller by the city shall be considered as*
21 *current and accrued operating costs and expenditures directly*
22 *related to the operation and maintenance of tideland trust activities.*